

NOTICE OF AMENDMENT

VIA UPS 2ND DAY AIR: 1Z WR2 588 02 9228 5619

June 1, 2012

James L. Bowzer Vice President- NAPO Marathon Oil Company 5555 San Felipe Road Houston, TX 77056

CPF 5-2012-0016M

Dear Mr. Bowzer:

On April 26, 2012, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Marathon Oil Company (MOC) procedures for MOC's Public Awareness Program (PAP) in Anchorage, Alaska.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within MOC's plans or procedures, as described below:

1. §192.616 Public Awareness

- (a) Each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference, see § 192.7).
- (h) Operators in existence on June 20, 2005, must have completed their written programs no later than June 20, 2006.

MOC submitted Marathon Pipeline Company's PAP to satisfy the requirements of § 192.616, but these procedures gave no indication that MOC's facilities and operations were included in the plan. The PAP must state that MOC's facilities and operations are covered by the plan.

2. §192.616 Public Awareness

- (a) Each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference, see § 192.7).
- (b) The operator's program must follow the general program recommendations of API RP 1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

The PAP does not list or assess the following unique attributes and characteristics of MOC's facilities:

- 1) The PAP does not list MOC's assets;
- 2) The PAP does not identify areas where non-odorized gas is transported;
- 3) The PAP does not list the location of compressor stations; and
- 4) The PAP does not list the locations of storage fields.

MOC's PAP must assess the unique attributes of their pipeline system, and must inform the affected stakeholder audience of areas where MOC's gas is not odorized.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 90 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that Marathon Oil Company maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Dennis Hinnah, Deputy

Director, Western Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 5-2012-0016M** and send each document to our office at 188 W. Northern Lights Blvd., Suite 520, Anchorage, AK 99503. For each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Dennis Hinnah

Deputy Director, Western Region

Pipeline and Hazardous Materials Safety Administration

Enclosure: Response Options for Pipeline Operators in Compliance Proceedings

cc: PHP-60 Compliance Registry

PHP-500 Bill Flanders (#138770)